

FEMINIST FINANCE

A Brief for the Finance in Common Summit (FiC)



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9-12
November
2020

The Basics

Dates: November 9 - 12 2020

Website: [[Finance in common](#)] [[Program of Events](#)] [[Speakers](#)]

What is the Finance in Common Summit? The [French Development Agency \(Agence française de développement or AFD\)](#), with the support of the UN Secretary General, French President Emmanuel Macron and the COP26 Presidency – will convene the first global development bank summit, Finance in Common (FiC), gathering 450 public development banks (including multilateral development banks, regional and national development banks and export credit agencies). These banks together control over USD 2 trillion in public money annually. Heads of states, representatives from private finance institutions and civil society organizations will also take part. The event aims to “stress the crucial role of Public Development Banks (PDBs) in reconciling short-term countercyclical responses with sustainable recovery measures that will have a long-term impact on the planet and societies.”

Is this part of any existing multilateral process? No. This event is an “ambition and mobilization” event, similar to climate summits and other ad-hoc initiatives of governments, often in partnership with the UN, to galvanize global action outside of – but often in support to and to some extent supported by – broader multilateral processes. The FiC aims include “support of common action for climate and the UN Sustainable Development Goals” and it is touted as “a key milestone on the way to the crucial events of 2021, notably the COP26 (climate change), the COP15 (biodiversity) and the Generation Equality Forum (gender equality).”

What are the risks? As feminists and civil society organizations, we note with caution that these “non-process” events can garner attention and create a positive image with few paths for accountability, transparency and stakeholder participation, compared to international frameworks that come with a certain level of commitment and procedures for review. This gives interest-driven initiatives the sheen of broader multilateral legitimacy reserved for negotiation processes. Ideally we would call for renewed trust in the UN and democratic multilateral processes so that smaller countries can also have a say. However, at a time when multilateralism is under attack and many intergovernmental processes are gridlocked, it is possible that these initiatives can create new impetus for existing commitments, but only if they are carefully managed, are fully transparent and participatory.

Why is this important? This is a long overdue moment for deep scrutiny towards the ways in which international financing instruments and public development banks are failing to meet the commitments of the Paris Agreement and other frameworks, such as the UN Sustainable Development Goals, that require economic and financial system reforms to achieve equality. It is a necessary step to define the critical role development banks can and must play in ensuring a just recovery that centers human rights, gender equality and planetary health. The Summit can be an avenue to reflect and discuss the importance of upholding international human rights

standards and valuing the role and responsibility of the public sector in sustainable recovery from the pandemic.

Are there any “gender specific” moments in the Summit? Gender equality is cross cutting to all aspects of public financing. There are [three events on November 12](#), that can serve as an entry point to advance the message that **all public development bank funding should protect and promote international human rights, should be gender-responsive and climate-compatible by focusing not only on the way, but equally on what is funded, prioritizing investment and financing approaches that directly protect against human rights violations, and target and address systemic gender discriminations and inequalities as well as the climate crises**. These are:

1. 'Development Banks as Actors for Change Towards Gender Equality'. The event aims to address “the role and impact of development banks in the achievement of gender equality described in SDG 5 and in the promotion of inclusive and sustainable finance for gender responsive policies.”
2. 'Social Investment for People, Planet and Prosperity'. This is focused on “more and better social investment, especially in infrastructure, as part of an integrated response to the Covid-19 crisis, the climate emergency, and rising social inequalities.”
3. 'Financing Sustainable Food Systems: PDBs as Catalysts of New Investment Models'. This event covers how to place the agricultural and food sector “on a more sustainable, productive, and inclusive path, in line with the SDGs”.

These topics should reflect the crucial contribution of women’s labor, stewardship and knowledge as well as the gendered and other forms of inequality in these areas. Social investment and public infrastructure must be gender-responsive and care- and livelihood-centered, and public development banks can together commit to financing that supports infrastructure that makes a just and equitable transition away from fossil fuels while securing essential services provision a reality. Financing of food systems, likewise, must tie in the necessity of climate justice and food sovereignty strategies for the sector, which would include financing agroecology, smallholder farmers, and strategies for harnessing traditional and Indigenous knowledge, which will be crucial in maintaining biodiversity, food security and moving away from harmful and unsustainable agrarian practices. These strategies in turn would need to be gender-just and enable communities who support our food systems to redistribute power and resources, including through the access, ownership, use and control of land.

Feminist Finance

Why a feminist approach? A feminist approach to finance is vital to the equitable, sustainable world the Finance in Common Summit (FiC) commits to support. Feminist perspectives challenge the status quo to rethink systems and unlock possibilities for transformative change that is inclusive and sustainable.

What does a feminist approach encompass? Feminist economics would at its core reject unsustainable growth centered models: feminism remains incompatible with neoliberalism. Feminist investment would press for a paradigm shift, relying on adequate and equitable financing that understands that response measures to COVID-19 and the multiple intersecting climate, biodiversity and poverty crises must address economic and social structural injustices and inequalities. The post-COVID world order must build stronger international cooperation based on human rights. Developed countries must fulfill their existing obligations under multiple international UN processes such as Financing for Development, the UNFCCC and the Sustainable Development Goals, to support developing countries financially and respecting the polluter pays principle. Developed countries must urgently increase financial provision in the form of grants in a way that is predictable, adequate, transparent and accountable.

Some examples that highlight the necessity of a feminist approach include:

- Worldwide, women are playing an essential role in frontline responses, ensuring resilience and food security during the COVID-19 crisis.
- COVID-19 has [substantially affected sectors](#) where women are a large proportion of the workforce, such as health and social care, domestic work, and the informal sector.
- Increased unpaid care and domestic work demands [have fallen largely on women](#), who already disproportionately carried the burden of care and domestic work.
- While the climate crisis was already increasing the number of girls entering child marriages, the COVID-19 crisis is catalyzing an [additional 2.5 million child marriages](#) in the next five years.

What are we learning from the pandemic and the climate and biodiversity crises? The COVID-19 pandemic has revealed even more than usual the interlinkages between crises and the efficacy of the comprehensive, whole-of-society approaches that intersectional feminist and people's movements promote. Transformative pathways to combat climate change likewise involve immediate action across sectors, with the aim to facilitate substantive course corrections in the long-term. As ecosystems are increasingly disrupted and devastated to fuel an unsustainable and unpredictable future, the imperative of protecting our planet's resources and ensuring they contribute to a better future becomes ever more clear.

These lessons point toward integrated, feminist approaches to investment that address issues at the system-level and achieve long-lasting outcomes. Taking these lessons onboard can

fundamentally change approaches to finance to ensure the discovery of better investment opportunities that generate larger, more durable impacts.

Insights

- Investments in social protection systems, gender-responsive public services and infrastructure, and public sector jobs are investments that **strengthen societies and yield comprehensive benefits in the long term**, including times of stress, and [effectively tackle poverty and vulnerability](#).
- Investments in education, care, and health contribute to a “[long-run sustainability effect through human capital returns](#)” and **alleviate disparities more effectively than quick fix investments** in areas such as construction.
- Investment effectiveness is not measured in short term data of sums invested, carbon emissions reduced or temporary jobs created: it is visible in **the long term ability to continue reducing greenhouse gases, sustain jobs with living wages, and reduce inequality**, ensuring the capacity to adapt to shocks as well as slow-onset events.
- **Investments must contribute to changing the system, or they won't be enough to ensure a resilient recovery and climate ambition**: this is an opportunity to act on the [IPCC Special Report on 1.5°C](#) assertion that “upscaling and acceleration of far-reaching, multilevel and cross-sectoral climate mitigation and by both incremental and transformational adaptation” can reduce the impacts of climate change.

Feminist Finance Ideas for Public Development Banks and Governments

→ *Create and redirect resources for transformative initiatives that center sustainable development and align with a 1.5°C pathway by:*

- Increasing financial provision in the form of grants instead of loans, to expand and strengthen domestic social welfare systems and the provision of public goods and services, with a focus on care work.
- Applying special taxes on short-term speculative currency and other financial transactions, excessive capital gains and concentration of wealth.
- Promoting fair, transparent and progressive taxation that addresses the tax evasion and avoidance of corporations and wealthy individuals, and introducing country by country reporting (CBCR) of taxes for all transnational corporations.
- Cancellation of all outstanding sovereign debt of developing countries.
- Reduction and redirection of national and global military budgets.

→ *Revise unfair and unsustainable economic, trade and development practices by:*

- Integrating assessment of the distributional impact of development programs and investments in order not to exacerbate economic and social inequalities.

- Suspending and conducting ex post assessments of bi-, pluri- and multilateral trade and investment agreements, to ensure they protect public interest on labor rights, environmental protection, right to health and other areas that have been impacted by investor-state dispute settlement clauses.
 - Prohibiting corporate lobbying and undue influence on government responses to COVID-19 and a halt to price gouging.
- *Invest in system change, addressing inequality and building a resilient world order by:*
- Scaling up public investments in the health sector, care services and education and moving away from privatization and public private partnerships (PPPs).
 - Providing directly accessible, highly concessional financing to community, Indigenous Peoples, youth, LGBTQI, feminist and women's rights groups.
 - Putting human rights and local communities at the center of all development programs and investments.
 - Integrating Indigenous traditional knowledge and solutions to climate mitigation and adaptation and delivering support and benefits directly to Indigenous Peoples and local communities with their continuous, free prior and informed consent (FPIC).

What is NOT a feminist approach?

- **Considering gender only in investments partially or entirely marked as gender equality** or women's empowerment investments, even if the number of those investments under such gender equality markers are increasing. Feminist finance is aligned across an entire portfolio and inseparable from any underlying investments and thus cannot be "gender add-ons" to business-as-usual investment approaches.
- **"Women's empowerment" that is not tied to the realization of women's human rights and instead instrumentalized as a "business case"**, and similarly, 'women's economic empowerment' that is narrowly focused on entrepreneurship, participation in the capitalist free market, and not aligned with economic rights, including the right to collectively organize and bargain.
- **Lack of urgency and delaying necessary action.** Commitments too far in the future won't deliver the course correction necessary to sustain a world with global warming limited to 1.5 degrees.
- **Creating silos, separating sectors and crises.** The pandemic, the climate crisis, and the biodiversity crisis – as well as many inappropriate responses to the devastation caused by them – emerge from the same root causes. Only holistic actions that address these root causes will meet the magnitude of these crises.
- **Prioritizing private actors over direct access to local communities.** Women's organizations and local communities absorb most of the impacts of current crises, but also put in place the most immediate and sustainable solutions, whereas private actors externalize their negative environmental and economic impacts to affect those who are already struggling to survive.

References/See Also

- [Feminist COVID Response Principles](#)
- [Feminist Climate Finance Brief](#)
- [Ending Fossil Fuel Finance](#)
- [African Feminist Macroeconomic Academy](#)
- [Who cares for the future: finance gender-responsive public services](#)
- [The Pandemic and Public Sector](#)
- [A critical review of IMF's advice on female labour force](#)
- [Macro Solutions for Women, the People and the Planet](#)